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Committee for Programme and Coordination
Thirty-ninth session
7 June–2 July 1999

Draft report

Rapporteur: Mr. Juichi **Takahara** (Japan)

I. Organization of the session

1. The Committee for Programme and Coordination held its organizational session (1st meeting) at United Nations Headquarters on 7 May 1999 and its substantive session from 7 June to 2 July 1999. It held a total of 37 meetings and a number of informal consultations.

A. Agenda

2. The agenda for the thirty-ninth session, adopted by the Committee at its 1st meeting, is reproduced in annex I below.

3. In adopting the agenda, the Committee, in accordance with the decision taken at its organizational session, decided to consider at its thirty-ninth session the report of the Joint Inspection Unit entitled "More coherence for enhanced oversight in the United Nations system" (A/53/171), as well as the comments by the Administrative Committee on Coordination thereon (A/53/171/Add.1) and the observations made by the Advisory Committee on Administrative and Budgetary Questions (A/53/670).

B. Election of officers

4. At its 1st, 2nd and 3rd meetings, on 7 May and 7 and 8 June 1999, the Committee elected the following officers by acclamation.

Chairman:

Mr. Michel Tommo Monthe (Cameroon)

99-19181 (E) 290699

Vice-Chairmen:

Srta. Valeria Maria Gonzalez Posse (Argentina)
Mrs. Renata Archini de Giovanni (Italy)
Mr. Valeriu Tudor (Romania)

Rapporteur:

Mr. Juichi Takahara (Japan)

C. Attendance

5. The following States members of the Committee were represented:

Argentina
Austria
Bahamas
Benin
Brazil
Cameroon
China
Comoros
Egypt
France
Germany
Indonesia
Iran (Islamic Republic of)
Italy
Japan
Mexico
Nicaragua
Nigeria
Pakistan
Poland
Portugal
Republic of Korea
Romania
Russian Federation
Thailand
Trinidad and Tobago
Uganda
Ukraine
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay
Zambia
Zimbabwe

6. The Republic of the Congo was not represented at the thirty-ninth session of the Committee.

7. The following States Members of the United Nations were represented by observers:

Azerbaijan
Algeria
Armenia
Australia
Bangladesh
Belarus
Botswana
Chile
Colombia
Costa Rica
Côte d'Ivoire
Croatia
Cuba
Ecuador
Eritrea
Finland
Ghana
Guatemala
Guyana
India
Israel
Jamaica
Kazakhstan
Kenya
Lao People's Democratic Republic
Malaysia
Morocco
New Zealand
Norway
Panama
Philippines
Saint Lucia

Saudi Arabia
Singapore
Syrian Arab Republic
Tunisia
United Republic of Tanzania

8. The following regional commissions and specialized agencies were represented:

Economic Commission for Africa (ECA)
Economic Commission for Europe (ECE)
Economic Commission for Latin America and the Caribbean (ECLAC)
Economic and Social Commission for Asia and the Pacific (ESCAP)
Economic and Social Commission for Western Asia (ESCWA)
Regional Commissions New York Office
Food and Agriculture Organization of the United Nations (FAO)
United Nations Educational, Scientific and Cultural Organization (UNESCO)

9. Also present at the session were the Under-Secretary-General for Management, the Under-Secretary-General for Internal Oversight Services, the Legal Counsel, the Under-Secretary-General for Disarmament Affairs, the Under-Secretary-General for Economic and Social Affairs, the Under-Secretary-General for General Assembly Affairs and Conference Services, the Controller and senior officials of the United Nations Secretariat. At the invitation of the Committee, Mr. John Fox, Inspector of the Joint Inspection Unit, also participated in the work of the Committee.

D. Documentation

10. The list of documents before the Committee at its thirty-ninth session is set out in annex II.

E. Adoption of the report of the Committee

11. At its 37th meeting, on 2 July 1999, the Committee adopted the draft report on the work of its thirty-ninth session (E/AC.51/1999/L.6 and Add.1–__).

Annex I

Agenda for the thirty-ninth session of the Committee

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Review of the efficiency of the administrative and financial functioning of the United Nations.
4. Programme questions:
   (a) Programme planning:
      (i) Programme performance of the United Nations for the biennium 1996–1997;
      (ii) Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation;
      (iii) Medium-term plan for the period 1998–2001;
   (b) Proposed programme budget for the biennium 2000–2001;
   (c) Evaluation.
5. Coordination questions:
   (a) Report of the Administrative Committee on Coordination;
   (b) Implementation of the United Nations System-wide Special Initiative for the Implementation of the United Nations New Agenda for the Development in Africa in the 1990s.
6. Reports of the Joint Inspection Unit.
7. Improving the working methods and procedures of the Committee for Programme and Coordination within the framework of its mandate.
8. Provisional agenda for the fortieth session.
9. Adoption of the report of the Committee on its thirty-ninth session.

Annex II

List of documents before the Committee at its thirty-ninth session

A/53/171	Report of the Joint Inspection Unit entitled "More coherence for enhanced oversight in the United Nations system"
A/53/171/Add.1	Comments by the Administrative Committee on Coordination on the report of the Joint Inspection Unit on more coherence for enhanced oversight in the United Nations system
A/53/670	Report of the Advisory Committee on Administrative and Budgetary Questions on more coherence for enhanced oversight in the United Nations system
A/54/6 (in fascicle form)	Report of the Secretary-General on the proposed programme budget for the biennium 2000–2001
A/54/6 (Part one) (i)	Part one (i): Foreword and introduction
A/54/6 (Part one) (ii)	Part one (ii): Tables
A/54/6 (Part one) (annex)	Part one: Annex
A/54/6 (Sect. 1)	Overall policy-making, direction and coordination
A/54/6 (Sect. 2)	General Assembly affairs and conference services
A/54/6 (Sect. 3)	Political affairs
A/54/6 (Sect. 4)	Disarmament
A/54/6 (Sect. 5)	Peacekeeping operations and special missions
A/54/6 (Sect. 6)	Peaceful uses of outer space
A/54/6 (Sect. 8)	Legal affairs
A/54/6 (Sect. 9)	Economic and Social Affairs
A/54/6 (Sect. 10)	Africa: New Agenda for Development
A/54/6 (Sect. 11A)	Trade and development
A/54/6 (Sect. 11B)	International Trade Centre UNCTAD/WTO
A/54/6 (Sect. 12)	Environment
A/54/6 (Sect. 13)	Human settlements
A/54/6 (Sect. 14)	Crime prevention and criminal justice
A/54/6 (Sect. 15)	International drug control
A/54/6 (Sect. 16)	Economic and social development in Africa
A/54/6 (Sect. 17 and Corr.1)	Economic and social development in Asia and the Pacific
A/54/6 (Sect. 18)	Economic development in Europe
A/54/6 (Sect. 19)	Economic and social development in Latin America and the Caribbean

A/54/6 (Sect. 20 and Corr.1)	Economic and social development in Western Asia
A/54/6 (Sect. 21 and Corr.1)	Regular programme of technical cooperation
A/54/6 (Sect. 22)	Human rights
A/54/6 (Sect. 23)	Protection of and assistance to refugees
A/54/6 (Sect. 24 and Corr.1)	Palestine refugees
A/54/6 (Sect 25)	Humanitarian assistance
A/54/6 (Sect. 26 and Corr.1)	Public Information
A/54/6 (Sect. 27)	Administrative services: general overview
A/54/6 (Sect. 27A)	Office of the Under-Secretary-General for Management
A/54/6 (Sect. 27B)	Office of Programme Planning, Budget and Accounts Division
A/54/6 (Sect. 27C)	Office of Human Resources Management
A/54/6 (Sect. 27D)	Office of Central Support Services
A/54/6 (Sect. 27E)	Administration, Geneva
A/54/6 (Sect. 27F)	Administration, Vienna
A/54/6 (Sect. 27G)	Administration, Nairobi
A/54/6 (Sect. 28)	Internal oversight
A/54/6 (Sect. 29)	Jointly financed administrative activities
A/54/6 (Sect. 31)	Construction, alteration, improvement and major maintenance
A/54/6 (Sect. 33)	Development account
A/54/67	Note by the Secretary-General on the review of the efficiency of the administrative and financial functioning of the United Nations
A/54/89	Report of the Secretary-General on measures for sectoral, functional and regional bodies to review the proposed medium-term plan for the period 2000–2005
A/54/117	Report of the Secretary-General on ways in which the full implementation and the quality of mandated programmes and activities could be ensured and could be better assessed by and reported to Member States
A/54/125	Report of the Secretary-General on the revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, Monitoring of Implementation and the Methods of Evaluation
E/1999/48	Annual overview report of the Administrative Committee on Coordination for 1998
E/AC.51/1999/1 and Add.1	Annotated provisional agenda and proposed programme of work

E/AC.51/1999/2	Note by the Secretary-General transmitting the report of the Office of Internal Oversight Services on the in-depth evaluation of the disarmament programme
E/AC.51/1999/3 and Corr.1	Note by the Secretary-General transmitting the report of the Office of Internal Oversight Services on the in-depth evaluation of the electoral assistance programme
E/AC.51/1999/4	Note by the Secretary-General transmitting the report of the Office of Internal Oversight Services on the triennial review of the implementation of the recommendations made by the Committee for Programme and Coordination at its thirty-sixth session on the evaluation of the Department of Public Information
E/AC.51/1999/5	Note by the Secretary-General transmitting the report of the Office of Internal Oversight Services on the triennial review of the implementation of the recommendations made by the Committee for Programme and Coordination at its thirty-sixth session on the evaluation of peacekeeping operations: termination phase
E/AC.51/1999/6	Progress report of the Secretary-General on the implementation of the United Nations System-wide Special Initiative for the Implementation of the United Nations New Agenda for the Development of Africa in the 1990s
E/AC.51/1999/7	Note by the Secretariat on the programme performance of the United Nations for the biennium 1996–1997
E/AC.51/1999/L.1/Rev.1 and Rev.2	Status of documentation for the thirty-ninth session
E/AC.51/1999/L.2/Rev.1	Programme of work for the thirty-ninth session
E/AC.51/1999/L.4	Note by the Secretariat on the current notional costs of documentation and utilization of interpretation services
E/AC.51/1999/L.5	Note by the Secretariat on the draft provisional agenda for the fortieth session
E/AC.51/1999/L.6	Draft report of the Committee on the work of its thirty-ninth session
E/AC.51/1999/INF/1	List of delegations

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Addendum

Rapporteur: Mr. Juichi **Takahara** (Japan)

Review of the efficiency of the administrative and financial functioning of the United Nations (item 3)

Note by the Secretary-General on the review of the efficiency of the administrative and financial functioning of the United Nations

1. At its 2nd meeting, on 7 June 1999, the Committee considered a note by the Secretary-General on the review of the efficiency of the administrative and financial functioning of the United Nations (A/54/67).

Discussion

2. Views were expressed that the consideration of this agenda item was an important one and deep concerns about its proposed elimination were communicated. It was recalled that the last report submitted by the Secretary-General on this item, in response to General Assembly resolution 41/213 of 19 December 1986, was issued as document A/45/226. It was noted that the only item under the review of the efficiency of the administrative and financial functioning of the United Nations was procurement reform, and that other issues that related to reform, such as the development account, results-based budgeting and the revolving credit fund, were under agenda item 113, Programme budget for the biennium 1998–1999. While recognizing the need to eliminate duplication of work, concern was expressed about the potential negative impact of the elimination of the agenda item and the report.

3. A view was expressed that the report could be discontinued but the agenda item maintained. An oral report to the Committee was considered an alternative. A question was raised about the legal basis for the consideration of the item if the report of the Secretary-

99-18995 (E) 290699

General was discontinued. It was also stressed that it was necessary for the Member States to be kept informed of progress on the reform of the Organization. The view was expressed that the Committee should receive a report in writing, which should be a progress report on achievement in the reform process and be analytical in nature.

Conclusion and recommendations

4. The Committee recommends:

(a) That the agenda item entitled "Review of the efficiency of the administrative and financial functioning of the United Nations" be retained on the agenda of the General Assembly;

(b) That a progress report on the review of the efficiency of the administrative and financial functioning of the United Nations be submitted biennially to the General Assembly through the appropriate intergovernmental bodies.

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Addendum

Rapporteur: Mr. Juichi **Takahara** (Japan)

Programme questions: programme performance of the United Nations for the biennium 1996–1997 (item 4 (a) (i))

Report of the Secretary-General on ways in which the full implementation and the quality of mandated programmes and activities could be ensured and could be better assessed by and reported to Member States

1. At its 14th meeting on 15 June 1999, the Committee considered the report of the Secretary-General on ways in which the full implementation and the quality of mandated programmes and activities could be ensured and better assessed by and reported to Member States (A/54/117).

2. The representative of the Secretary-General introduced the report and responded to questions raised during the Committee's consideration of the report.

Discussion

3. The view was expressed that the report was written in a vacuum, as if no rules and regulations existed in the Organization and that the recommendations and conclusions were not in conformity with the existing regulations and rules and established procedures. It was also expressed that the report was an attempt to invent something totally new and create the impression that results-based budgeting and time-limited initiatives were a panacea to the request in the General Assembly resolution 53/207 of 18 December 1998.

99-19113 (E) 290699

4. The view was expressed that the report overemphasized concepts like results-based budgeting and time-limited initiatives, which are still under consideration by the General Assembly. The report should not have made an attempt to influence or prejudge the outcome of General Assembly deliberation on such politically controversial and complex issues.

5. Concern was expressed that the report did not make a single recommendation and completely ignored the request by the General Assembly in resolution 53/207 regarding ways to ensure full implementation of all mandated programmes. In this regard, the view was also expressed that the report should have given consideration to:

(a) The question of resources;

(b) Accountability and responsibility of programme managers for better programme delivery;

(c) Incentives and disincentives for programme managers;

(d) Measures to deal effectively with under performance;

(e) Improvement in the internal guidelines for evaluation.

6. The view was expressed that the report should be rewritten to fully take into account the request by the General Assembly in resolution 53/207 and to bring it in conformity with the regulations and rules.

7. The view was expressed that the report was prepared in response to concerns raised during the discussion of the Committee for Programme and Coordination at its thirty-eighth session on the need to place more emphasis on qualitative analysis in future performance reports to reflect achievements in implementing programme activities.

8. Concern was expressed that there was no direct linkage between the medium-term plan and the budget and efficiency in monitoring programmes. Because of the political nature of the United Nations and the complexity and diversity of activities carried out by the Organization, assessment of the quality of programmes could not be strictly related to the achievement of outputs in the context of the budget.

9. Although concerns were expressed that the report was highly theoretical, there were also views that it served as a useful catalyst in enabling Member States to move forward in the debate to seek ways to better assess the quality of implemented programmes.

10. The view was expressed that the options proposed in the report merited discussion and consideration. The view was expressed that option one was desirable but needed to be studied more carefully because it might pose a problem in scheduling the review process. The view was also expressed that the recommendation in paragraph 37 was not practicable because it would further delay the consideration of reports, as intergovernmental bodies may be meeting at different times. As a result, the evaluation would never come to an end. Option two would have contributed to enhancing accountability of programme delivery, but might unduly complicate the work of the Committee for Programme and Coordination. The view was also expressed that paragraph 38 was an attempt to introduce results-based budgeting. The programme performance report should not be considered with budget proposals. The proposals on the budget should reflect resources for full implementation of all mandated programmes and activities. The view was expressed that option three more directly addressed the problem of assessing the full implementation and quality of mandated programmes and activities. Furthermore, option three offered better prospects for meeting the objectives of the framework of the revised Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, which call for the identification of expected accomplishments

in programme budget proposals. It was pointed out that the increase in detail in the programme budget, as called for by this option, would be an added advantage, as it would assist Member States in assessing the extent to which programmes had attained objectives. There was concern that the third proposal was related to proposals by the Secretariat on results-based budgeting, which had not yet been approved by the General Assembly.

11. Concern was expressed about the difficulty of applying the proposed concepts in the United Nations, especially the difficulty of relating outputs and intended outcomes. The quality of an output should not only be judged in terms of achieving outcomes or objectives. It was stressed that the Secretariat should be more vigilant in implementing self-evaluations, including the determination of the quality of implemented outputs by end-users. It was also pointed out that the quality of planning in the medium-term plan should not be used as an excuse for the lack of qualitative assessment measures. In this connection, it was stressed that it was incumbent upon the Secretariat to indicate what it could accomplish within a given biennial period in the delivery of outputs.

12. The view was expressed that the discussions should not ignore the uniqueness of the United Nations as an international organization that is characterized by multi-cultural and geopolitical differences. The view was expressed that proposals to improve the qualitative assessment of implemented outputs should take into consideration the current Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation and the fact that the United Nations is neither a Government nor a private organization. However, despite the uniqueness of the United Nations, the Secretariat should be open to various management practices and approaches to enable it to learn from the experiences of other organizations. Views were expressed that meanwhile study should continue to determine a set of norms for self-evaluation and evaluation of programmes and specific outputs. In view of the importance of seeking ways to better assess implemented outputs, the Committee emphasized that it was essential to focus on the merits of the proposals made in the report, bearing in mind that the long-term goal of the Organization should be to ensure that its implemented outputs add value.

13. The Committee acknowledged that the subject of the report was of a complex nature and therefore a prudent approach, in further consideration of the three options, was called for.

14. The view was expressed that a prototype of the proposed options should be provided by the Secretariat and that the subject should further stimulate dialogue within the Administrative Committee on Coordination on quality norms and standards.

Conclusions and recommendations

15. The Committee recommended that the Secretary-General be requested to further explore ways in which the full implementation of mandates could be ensured and better assessed according to the request in resolution 53/207, taking into account the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and budgetary procedures, and giving due consideration to the views of Member States, and report thereon to the Committee at its fortieth session.

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Addendum

Rapporteur: Mr. Juichi **Takahara** (Japan)

Programme questions: programme planning: programme performance of the United Nations for the biennium 1996–1997 (item 4 (a) (i))

Note by the Secretary-General on the programme performance of the United Nations for the biennium 1996–1997

1. At its 15th meeting, on 15 June 1999, the Committee for Programme and Coordination considered the note by the Secretary-General on the programme performance of the United Nations for the biennium 1996–1997 (E/AC.51/1999/7).

2. The representative of the Secretary-General introduced the note and responded to questions raised during its consideration.

Discussion

3. The Committee noted the additional information provided at its request, on the status of 57 outputs carried over from the biennium 1994–1995 and further postponed during the biennium 1996–1997. In the absence of further justification warranting their continuation, those outputs had been recommended for termination in the report of the Secretary-General on the programme performance of the United Nations for the biennium 1996–1997 (A/53/122, para. 22).

4. The departments concerned had communicated that 14 outputs had been implemented in 1997–1998, 12 would be implemented in 1999, 2 outputs had been further postponed to 2000 and 20 outputs were considered ongoing in accordance with legislative mandates. Nine

99-19107 (E) 290699

outputs were recommended for termination and explanations were provided. The Secretariat promised to change the system of revision for termination.

5. Concern was expressed at the lack of resources during the biennium to implement the recommendations based on the study of the effect of racial discrimination in education of minority children, taking into account that it was a mandated activity that had been carried over for the last two bienniums.

6. In this context, concern was also expressed about the proposal to eliminate these activities, taking into account the fact that the General Assembly had decided to celebrate in the year 2001 the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance, and that this activity would form part of the preparation for the Conference. It was pointed out also that the relevant intergovernmental body should give its opinion on this proposal.

7. Concern was expressed that a lack of resources had led to the termination or the repeated postponement of outputs. The view was expressed that programmes should not be sacrificed for savings. Concern was also expressed that the views of intergovernmental bodies on the nine remaining outputs proposed for termination were not sufficiently clear. The Secretariat was requested to furnish the additional information.

8. The view was expressed that intergovernmental bodies should consider each proposal and report thereon to the General Assembly before taking action.

9. The view was expressed with regret that the resources requested by the Secretariat were not commensurate with the full implementation of mandates, as required in many General Assembly resolutions, and in this regard, the Secretariat was requested to comply fully with such resolutions.

Conclusions and recommendations

10. The Committee regretted that the opinion of relevant intergovernmental bodies on the proposal by the Secretary-General to delete some outputs, as requested by the General Assembly in resolution 53/207 of 18 December 1998, had not been submitted.

11. The Committee noted the information provided. Recalling regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, it stressed the need for clear justification for termination of outputs.

12. The Committee noted with concern that, as indicated in the report, certain outputs had been postponed and others terminated owing to a lack of resources during the biennium.

13. The Committee noted the information provided and requested the Secretariat to ensure that future programme performance reports would provide clear justification and criteria for termination.

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DRAFT REPORT

ADDENDUM

Rapporteur: Mr. Juichi TAKAHARA (Japan)

Programme planning (item 4 (a))

1. At its 36th and 37th meetings, on 25 June 1999, the Committee for Programme and Coordination considered the report of the Secretary-General on the revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (A/54/125).

2. The representative of the Secretary-General introduced the report and responded to queries raised during the Committee's consideration of the document.

DISCUSSION

3. The Committee recalled that the General Assembly had, in section III of its resolution 53/207 of 18 December 1998, adopted the revised Regulations and had requested the Secretary-General to take the necessary action to prepare revisions to the relevant rules and to bring them to the attention of the General Assembly through the Committee before promulgation. It was observed that the promulgation of rules was the prerogative of the Secretary-General as chief administrative officer of the Organization.

CONCLUSIONS AND RECOMMENDATIONS

4. The Committee recommended that the rules the Secretary-General intended to promulgate, as proposed in document A/54/125, should be amended along the following lines:

(a) Regulation 1.1. The last sentence of rule 101.1 (a) should read "The Office of Programme Planning, Budgeting and Accounts, on behalf of the Secretary-General, shall be responsible for the oversight of the application of these rules.";

(b) Regulation 3.2.

The new rule concerning the budget outline should more appropriately follow regulation 3.2.A.1 (d);

(c) Regulation 4.2. Rule 104.2 (a). The current paragraph should be retained;

(d) Regulation 4.5.

(i) Rule 104.6 (c) should be divided into two rules, the first ending with the words "programme budgets for the biennium." The second rule should begin with the words "The subprogramme structure shall correspond, to the extent possible, to an organizational unit ... ";

(ii) Rule 104.6 (d) (i). The original paragraph should be retained, with the deletion of the word "major" in the first and last lines;

(e) Regulation 4.8.

(i) Rule 104.12 (b). The words "regulation 4.9" should be changed to read "regulations 4.8 and 4.9";

(ii) Rule 104.12 (e). The words "Steering Committee on Reform and Management" should be replaced by "Office of Programme Planning, Budget and Accounts";

(f) Regulation 4.11.

(i) Rule 104.3 (b). The current paragraph should be retained;

(ii) Rule 104.3 (c). The current paragraph should be retained;

(iii) Rule 104.3 (d) should read as follows:

"The strategy for the subprogrammes shall describe the course of action, the type of activities (research, technical assistance, support of negotiations, etc.), and the programme framework within which the budget will be prepared, which can be expected to result in the fulfilment of the objectives set.";

(g) Regulation 4.13.

(i) Rule 104.11 (a) (i). At the end of the sentence, the words "and any other revisions which should be properly identified" should be inserted;

(ii) Rule 104.11 (a) (iii) should be deleted;

(iii) Rule 104.11 (c) should be retained;

(h) Regulation 4.16. Rule 104.18 (a). After the words "in accordance with" the words "regulations 3.2 and 5.1 through 5.9" should be inserted;

(i) Regulation 5.3. Rule 105.3. References to the Committee for Programme and Coordination, the Advisory Committee on Administrative and Budgetary Questions and the General Assembly should be retained;

(j) Regulation 5.4. Rule 105.4.1 (c). At the end of paragraph (i), the words "and inclusion of reports thereto" should be added and paragraph (vii) should be deleted;

(k) Regulation 5.6. Rules 105.6 (a) (i), (ii), (iii) and (iv). After the word "outputs", the words "and activities" should be added;

(l) Regulation 5.7.

(i) Rule 105.7 (b). The words "Steering Committee on Reform and Management" should be replaced by "Office of Programme Planning, Budget and Accounts";

(ii) Rule 105.7 (c). The paragraph should be retained and the words "programme elements" should be replaced with the words "activities";

(m) Regulation 5.9. Rule 105.9 (a). After the word "outputs", the words "and activities" should be added;

(n) Regulation 6.1.

(i) Rule 106.1 (a). Before the word "shall" the words "in consultation with the Office of Programme Planning, Budget and Accounts" should be inserted;

(ii) Rule 106.1 (a) (ii). After the words "determine the actual" the words "progress made towards achieving expected accomplishments through the" should be inserted;

(iii) Rule 106.1 (b) (ii). After "The Central Monitoring and Inspection Unit" the words "in consultation with the Office of Programme Planning, Budget and Accounts" should be inserted;

(iv) Rule 106.1 (e). A new paragraph (e) reading "In the programme performance report, the assessment required under 106.1 (a) (ii) shall

be indicated against objectives and expected accomplishments, to the extent possible, in subprogrammes. Explanations shall be given for lack of progress" should be added;

(o) Regulation 6.2. Rule 106.2 (b). After the word "discretion" the words "with full justification" should be inserted;

(p) Regulation 7.3. Rule 107.3 (b). After the word "outputs", the word "activities" should be added.

5. The Secretary-General should bring to the attention of the General Assembly, along with the revised Rules, a rule which gives guidance to programme managers for better implementation of regulation 5.4.

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Addendum

Rapporteur: Mr. Juichi **Takahara** (Japan)

Programme questions: programme planning (item 4 (a))

Measures for sectoral, functional and regional bodies to review the proposed medium-term plan for the period 2002–2005

1. At its 14th and 15th meetings, on 15 June 1999, the Committee for Programme and Coordination considered the report of the Secretary-General on measures for sectoral, functional and regional bodies to review the proposed medium-term plan for the period 2002–2005 (A/54/89).

2. The representative of the Secretary-General introduced the report and responded to queries raised during the Committee's consideration of the report.

Discussion

3. It was observed that concrete and action-oriented proposals from the Secretary-General on recommendations of the General Assembly would have been appreciated.

4. Appreciation was expressed for the information contained in the report concerning the timetable for review of portions of the proposed medium-term plan for the period 2002–2005. The measures taken by the Secretariat in ensuring adequate intergovernmental review, taking into account the complexity of scheduling meetings, were duly recognized. In this connection, the Committee was informed that, subsequent to the preparation of the report of the Secretary-General, the United Nations Commission on International Trade Law had indicated that it would review subprogramme 5.5, Progressive harmonization and unification of the law of international trade, of programme 5, Legal affairs. It was noted

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that there was no special review for subprogrammes 1.1 to 1.4 of programme 1, Political affairs; subprogrammes 5.1 to 5.4 and 5.6 of programme 5, Legal affairs; subprogrammes 7.1 and 7.7 of programme 7, Economic and social affairs; programme 8, Africa: New Agenda for Development; and programme 20, Humanitarian assistance. Review of those programmes and subprogrammes had, up to now, been undertaken only by the Committee. The view was expressed that they should all be included in the programme of work of the Main Committees of the General Assembly.

5. The importance of adequate review by specialized intergovernmental bodies, including the Economic and Social Council and the Main Committees, was emphasized. In this connection, the importance and necessity of views expressed collectively cannot be overemphasized. Therefore, every effort should be made by the Secretariat to ensure that views of intergovernmental bodies as a whole are taken into account when preparing the proposed medium-term plan.

6. Concern was expressed about the inadequate attention given by the Main Committees of the General Assembly to the medium-term plan and its revisions. It was stressed that every effort should be made to ensure that the Fifth Committee received views of the Main Committees also prior to its consideration of the plan and its revisions.

Conclusions and recommendations

7. The Committee recommended that the specialized intergovernmental bodies, as well as the Economic and Social Council and the Main Committees of the General Assembly, should include, in their programme of work, an agenda item on programme planning for the review of the proposed medium-term plan and its revisions. The Committee also recommended that the Fifth Committee receive all relevant comments prior to its consideration of the proposed medium-term plan and its revisions.

8. The Committee recommended that it should receive, at its fortieth session, the reports of intergovernmental bodies that would have reviewed the Secretary-General's proposals related to the medium-term plan, whether or not their views had already been incorporated in the Secretary-General's submission to the Committee.

9. The Committee recommended that, in the absence of a specialized intergovernmental body to conduct an in-depth review of the medium-term plan and its revisions of subprogrammes 1.1 to 1.4 of programme 1, Political affairs; subprogrammes 5.1 to 5.4 and 5.6 of programme 5, Legal affairs; subprogrammes 7.1 and 7.7 of programme 7, Economic and social affairs; programme 8, Africa: New Agenda for Development; and programme 20, Humanitarian assistance, it should conduct such a review.

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DRAFT REPORT

Addendum

Rapporteur: Mr. Juichi TAKAHARA (Japan)

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2000-2001
(ITEM 4 (b))

Part one (i). Foreword and introduction

1. At its 12th and 13th meetings, on 14 June 1989, the Committee considered the report of the Secretary-General on the proposed programme budget for the biennium 2000-2001, the second biennial programme budget within the medium-term plan for the period 1998-2001.

2. The representative of the Secretary-General introduced the foreword and introduction to the proposed programme budget (A/54/6 (Part one) (i)) and responded to queries raised during the Committee's consideration of the document.

3. The level of resources proposed by the Secretary-General, at $2,535.6 million at 1998-1999 rates, represented an increase over 1998-1999 levels of $5.7 million, or 0.2 per cent, as well as a net increase of 61 posts. It was also lower than the budget outline figure of $2,545 million decided upon by the General Assembly. It was explained to the Committee that this proposal for the biennium 2000-2001 built on gains in productivity and effectiveness achieved in 1998-1999 through the implementation of the structural reform initiated in 1997. It was also explained that the forthcoming biennium would allow a consolidation of those gains as tasks are undertaken with greater effectiveness while applying the benefits of past and ongoing investments in staff training and technology.

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4. The Committee was informed that the proposed level of resources represented efforts to ensure the full, efficient and effective implementation of the objectives and mandates set by Member States. The Committee was further informed that any further cuts would seriously compromise the ability of the Organization to deliver the services that Member States expected.

5. The Committee was informed that the proposed programme budget was guided by two main considerations, the medium-term plan for the period 1998-2001, as revised by the General Assembly at its fifty-third session (A/53/6/Rev.1), and the programme budget outline for 2000-2001, as adopted by the General Assembly at its fifty-third session (see resolution 53/206 of 18 December 1998). The Committee was further informed that the distribution of resources in the proposed programme budget responded to the priority areas as determined by the General Assembly in its resolution 53/206. Consequently, for each of the priority areas, increases in expenditure had been included in the Secretary-General's proposals. The Committee was informed that the proposed growth in those areas was made possible as a result of administrative cost-limitation and reduction efforts in the common services areas, including both the Department of Management and the Department of General Assembly Affairs and Conference Services.

6. Increases were also proposed in the areas of internal oversight and capital expenditures. Other significant aspects of the budget proposals included a 10.1 per cent increase in resources for staff training, and requirements totalling $3.0 million for the final implementation phase of the Integrated Management Information System (IMIS). With regard to the Development Account, the Committee was informed that maintenance at the 1998-1999 level was being proposed pending a General Assembly decision on the operating arrangements for the Account.

7. The Committee considered the proposed programme budget in accordance with its mandate. In that connection, it focused on: (a) the adequacy of the link between the subprogrammes of the medium-term plan and the programmatic content of the proposed programme budget; (b) the assurance that all other activities that had been proposed for inclusion in the budget had been mandated by the legislative bodies; (c) a proposal to remove elements that were considered to be marginal, ineffective or in need of reformulation; and (d) the proper identification of expected accomplishments for the biennium.

Discussion

8. Satisfaction was expressed with the format and timeliness of the budget documents and with the efforts of the Secretary-General to formulate the expected accomplishments of individual programmes, but it was also regretted that this had not been done in all cases.

9. It was recalled that the General Assembly had stressed that more emphasis should be placed in future programme performance reports on qualitative analysis to reflect achievements in implementing programme activities. The view was expressed that the proposed programme narratives were a good first step towards providing a basis for this. Nevertheless, the view was also expressed that such

qualitative analysis would require an assessment of the progress made towards achieving expected accomplishments and full implementation of mandates during the biennium. A disparity was observed in the specificity of expected accomplishments and in how progress towards them would be gauged. The view was expressed that while there were often difficulties involved and while for certain programmes assessment could not be precise, it was necessary to provide a basis for the qualitative analysis sought by the General Assembly. The view was expressed that the Secretariat should therefore continue to ensure that in future programme budgets objectives and expected accomplishments were as precise, specific and measurable as possible. It was noted that this was the first time that proposals regarding expected accomplishments were included in the budget. In this regard, the view was expressed that the General Assembly should evaluate the conformity of the expected accomplishments with the objectives established in programmes and subprogrammes. Moreover, the view was expressed that such an evaluation should also study the feasibility of formulating expected accomplishments for all programmes, given the nature of the activities carried out under those programmes, and should include proposals in that regard whenever appropriate.

10. It was recalled that the General Assembly had not taken any decision regarding the concept of results-based budgeting and, in that regard, concern was expressed that some initiatives had been taken by the Secretariat to include in the proposed programme budget some concepts and proposals on results-based budgeting.

11. The view was expressed that the efforts of the Secretary-General to address gender-mainstreaming issues should be commended. The view was also expressed that further implementation was required to achieve the goals in this area.

12. With regard to the overall level of resources, concern was expressed about whether the proposed programme budget would be sufficient for full implementation of the objectives and mandates of the Organization. Particular concern was expressed at the reduction in the interpretation and translation areas of conference services. Moreover, it was observed that a clear link between resources and priorities had not been established in every case. On the other hand, it was also observed that priority areas had indeed been appropriately reflected in the budget proposals. Regret was expressed that the overall level of resources was less than the budget outline. Concern was expressed regarding the impact any future reduction in resources could have. Concern was also expressed regarding the distribution of reductions between the various sections, and whether a number of sections had not been disproportionately affected. In particular, the concerns expressed related to section 2, General Assembly affairs and conference services; section 3, Political affairs; and section 4, Disarmament.

13. The view was expressed that the budget outline was an indicative planning figure that did not represent a ceiling or a floor for the level of the Secretary-General's proposed programme budget. The view was expressed that the Secretary-General's assurance that the proposed programme budget would enable the Secretariat to implement the objectives and mandates set by Member States in a comprehensive, efficient and effective way should be noted, although the view was also expressed that the Secretary-General had made such assurances before.

Moreover, the view was expressed that the proposed programme budget had been formulated in accordance with priority areas set by the General Assembly. Nevertheless, concern was also expressed that the distribution of resources among programmes did not fully reflect priorities approved by the General Assembly.

14. The view was expressed that every effort should be made to gain the approval of as many Member States as possible in formulating the programme budget, and that this must be a dynamic process that responds in a flexible manner to changes in the international community. The importance was underlined of reviewing the activities of the Organization with a view to prioritizing them better and directing more resources to the most necessary activities, thereby striving for maximum efficiency. In this regard, the view was expressed that the proposed programme budget could be further reduced by maximizing economies and absorbing additional budgetary requirements to the maximum extent without adversely affecting the role that the United Nations must play in the world.

15. It was emphasized that Member States should provide adequate resources for the full implementation of all mandated programmes and activities.

16. Concern was expressed about whether the funds proposed for IMIS represented the final implementation phase.

17. Questions were raised concerning the basis for a net increase of 61 posts in the context of the reform process. Concerns were expressed regarding the levels of new posts, and the "top-heaviness" in the middle and higher echelons of the staffing table that would result from their establishment. Questions were also raised regarding the level and fluctuations in the vacancy rates. It was felt that these questions needed to be fully addressed.

18. It was noted with concern that the proposed programme budget was significantly lower than the budget outline figure approved by the General Assembly in its resolution 53/206. In that regard, the difficulties faced during the adoption of the resolution were recalled, as well as the political sensitivity involved. The view was expressed that the reduction in the overall level of the budget in relation to the budget outline was not justified.

19. The view was expressed that, once the level of resources that Member States would provide to the Organization had been agreed to, Member States had the obligation under Article 17 of the Charter to provide the financial resources in full, on time and without conditions, so that the Organization can carry out fully the mandates entrusted to it.

20. It was observed that, since the General Assembly's consideration of the Secretary-General's report on the modalities of the Development Account had not yet been completed, the Secretary-General was not in a position to include programmatic details of activities to be implemented under the Development Account in the current proposed programme budget. The view was expressed that the Secretary-General should have at least provided preliminary information relating to the initiatives in each budget section with regard to identifying gains and initiatives to improve productivity and enhance the quality of programme performance. After all, in the budget outline, the Secretary-General

had indicated that economies in the order of $40 million would be identified. It was also reiterated that efficiency measures should not imply a reduction or ceilings for programme managers.

21. Concern was expressed about the inclusion of some recommendations of oversight bodies that had not yet been approved by the General Assembly. In this regard, the view was expressed that only those recommendations approved by the General Assembly should be included in the budget proposals.

Conclusions and recommendations

22. The Committee expressed its appreciation for the improved format and timely submission of the proposed programme budget in all official languages.

23. The Committee noted the Secretary-General's efforts to meet the new requirements of the revised Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.

24. The Committee noted with concern that not all sections of the proposed programme budget had been prepared on the basis of the standard format, in accordance with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, as well as with relevant resolutions adopted by the General Assembly, and recommended that all sections of future proposed programme budgets be presented in the same standard format, in accordance with the Regulations and Rules and relevant resolutions.

25. With respect to the general level of resources, the Committee noted that this was lower than indicated in the proposed budget outline.

26. The Committee noted a trend towards an increasing use of extrabudgetary funds for activities that should be funded under the regular budget.

27. The Committee stressed that all Member States should pay their assessed contributions in full, on time and without imposing conditions, to avoid the financial difficulties being experienced by the Organization.

28. Concern was expressed by the Committee regarding the structure of the staff pyramid, where an increase in the number of middle and higher echelon posts was detected, while the number of posts at the entry level was decreasing. Moreover, the Committee noted the real fluctuations in vacancy rates and stressed the need to specifically address this issue.

29. With regard to paragraph 43 of the foreword and introduction, the Committee emphasized that the efficiency measures should not affect the full implementation of all mandated programmes and activities. Moreover, such measures should be in accordance with General Assembly resolutions and the regulations and rules of the Organization.

30. The Committee recommended that the General Assembly adopt the foreword and introduction of the proposed programme budget for the biennium 2000-2001, subject to the following modifications:

(a) In the first sentence of paragraph 64, the words "a sufficient" should be replaced with "the best";

(b) In the second sentence of paragraph 187, the phrase "evaluates the relevance, efficiency and effectiveness of the Organization's activities and" should be deleted.